

B26 (Official Form 26) (12/08)

United States Bankruptcy Court

District of Delaware

In re MVK FarmCo LLC, et al.,Case No. 23-11721 (LSS)

Debtor

Chapter 11

**PERIODIC REPORT REGARDING VALUE, OPERATIONS AND PROFITABILITY
OF ENTITIES IN WHICH THE ESTATE OF MVK FARMCO LLC
HOLDS A SUBSTANTIAL OR CONTROLLING INTEREST**

This is the report as of 10/13/23 on the value, operations and profitability of those entities in which the estate holds a substantial or controlling interest, as required by Bankruptcy Rule 2015.3. The estate of MVK FarmCo LLC holds a substantial or controlling interest in the following entities:

Name of Entity	Interest of the Estate	Tab #
MVK Management, LLC	100%	

This periodic report (the “Periodic Report”) contains separate reports (“Entity Reports”) on the value, operations, and profitability of each entity listed above.

Each Entity Report shall consist of three exhibits. Exhibit A contains a valuation estimate for the entity as of a date not more than two years prior to the date of this report. It also contains a description of the valuation method used. Exhibit B contains a balance sheet, a statement of income (loss), a statement of cash flows, and a statement of changes in shareholders’ or partners’ equity (deficit) for the period covered by the Entity Report, along with summarized footnotes. Exhibit C contains a description of the entity’s business operations.

**THIS REPORT MUST BE SIGNED BY A REPRESENTATIVE OF THE TRUSTEE OR DEBTOR IN
POSSESSION.**

The undersigned, having reviewed the above listing of entities in which the estate of [Debtor] holds a substantial or controlling interest, and being familiar with the Debtor’s financial affairs, verifies under the penalty of perjury that the listing is complete, accurate and truthful to the best of his/her knowledge.

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Date: 11/03/23



Signature of Authorized Individual

John Boken

Name of Authorized Individual

Chief Financial Officer

Title of Authorized Individual

[If the Debtor is an individual or in a joint case]

Signature(s) of Debtor(s) (Individual/Joint)

Signature of Debtor

Signature of Joint Debtor

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Exhibit A
Valuation Estimate for MVK
Management, LLC

No valuation has been performed on this entity.

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Exhibit B
Financial Statements for MVK Management,
LLC

MVK Management, LLC*Balance Sheet as at October 12, 2023 and December 31, 2022*

	10/12/2023	12/31/2022
ASSETS		
<u>Current Assets</u>		
Cash	-	-
Restricted Cash	-	-
Accounts Receivable	-	-
Inventory	-	-
Inventory - Growing Crops	-	-
Inventory - Other	-	-
Other Current Assets	1 NOTE 1	1
Prepaid Expenses	-	-
Total Current Assets	1	1
<u>Noncurrent Assets</u>		
Property, Plant & Equipment	-	-
Assets Held for Sale	-	-
Net Goodwill	-	-
Intangibles	-	-
Operating lease right-of-use asset	-	-
Interest Rate Swap Contract Asset	-	-
Other Assets	- NOTE 2	-
Total Noncurrent Assets	-	-
Total Assets	1	1
LIABILITIES AND MEMBER EQUITY		
<u>Current Liabilities</u>		
Accounts Payable	-	-
Cash Overdraft	-	-
Grower Payable	-	-
Accrued Expense	-	-
Payroll Taxes Payable	-	-
Current portion of operating lease obligations	-	-
Current Portion Long Term Debt	-	-
Revolving Line of Credit	-	-
Other Current Liabilities	-	-
Total Current Liabilities	-	-
<u>Noncurrent Liabilities</u>		
Other Noncurrent Liabilities	-	-
Operating lease obligations, net of current portion	-	-
Interest Rate Swap Contracts Liability	-	-
Deferred Compensation	-	-
Term loan	-	-
Notes Payable WPC	-	-
Notes Payable WFC	-	-
Total Noncurrent Liabilities	-	-
Total Liabilities	-	-
<u>Member Equity</u>		
Equity	1	1
Retained Equity	-	-
Accumulated Other Comprehensive Income	-	-
Total Equity	1	1
Total Liabilities and Equity	1	1

MVK Management, LLC*Statement of Operations and Comprehensive Income (Loss)*

	Period Ended, 10/12/2023	Year Ended, 12/31/2022
Sales	\$ -	\$ -
Packing Shed	\$ -	\$ -
Orchards	\$ -	\$ -
Brokerage	\$ -	\$ -
Cost of Sales	\$ -	\$ -
Packing Shed	\$ -	\$ -
Orchards	\$ -	\$ -
Brokerage	\$ -	\$ -
Gross Profit	\$ -	\$ -
Operating Expenses:		
General and Administrative Expenses	\$ -	\$ -
Depreciation & Amortization	\$ -	\$ -
Total Operating Expense	\$ -	\$ -
Operating Income (Loss)	\$ -	\$ -
Other Income (Expense):		
Interest Expense - net	\$ -	\$ -
Other Income - net	\$ -	\$ -
Total Other Expense	\$ -	\$ -
Net Income (Loss)	\$ -	\$ -
Other Comprehensive Income (Expense)		
Change in unrealized loss on interest rate swaps	\$ -	\$ -
Comprehensive Income (Loss)	\$ -	\$ -

MVK Management, LLC*Statement of Cash Flows for the period ended October 12, 2023 and the year ended December 31, 2022*

	Period Ended, 10/12/2023	Year Ended, 12/31/2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	-	-
Adjustments to reconcile net loss to net cash used in operating activities:		
Unrealized (gain)/ loss on interest rate swap contracts	-	-
Amortization on debt issuance costs and debt discounts	-	-
Non-cash operating lease expense	-	-
Depreciation and amortization expense	-	-
Inventory reserve	-	-
Stock-based compensation	-	-
Allowance for doubtful accounts	-	-
Gain on disposal of fixed assets	-	-
Changes in operating assets and liabilities:		
Accounts receivable	-	-
Inventory	-	-
Prepaid expenses	-	-
Other current assets	-	-
Other noncurrent assets	-	-
Accounts payable	-	-
Cash overdrafts	-	-
Accrued expenses	-	-
Other current liabilities	-	-
Deferred compensation	-	-
Other noncurrent liabilities	-	-
Operating lease liabilities	-	-
Net cash provided by (used in) operating activities	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of fixed assets	-	-
Purchase of fixed assets	-	-
Net cash provided by (used in) investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repurchase of incentive units	-	-
Payment of debt issuance costs	-	-
Proceeds from revolver	-	-
Repayments of revolver	-	-
Repayments of term loans	-	-
Tax distribution to members	-	-
Proceeds from settlement of interest rate swaps	-	-
Net cash provided by (used in) financing activities	-	-
NET INCREASE (DECREASE) IN CASH AND RESTRICTED CASH	-	-
CASH AND RESTRICTED CASH - Beginning of period	-	-
CASH AND RESTRICTED CASH - End of period	-	-

MVK Management, LLC*Statement of Members Equity*

For the period ended October 12, 2023 and the year ended December 31, 2022

	Class A Common Units		Class B-1 Common Units		Class B-2 Common Units		Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Member Equity
	Units	Amount	Units	Amount	Units	Amount			
Balance, December 31, 2021	1	\$ 1	49,266	\$ -	352,431	\$ -	\$ -	\$ -	1
Tax distributions to member	-	-	-	-	-	-	-	-	-
Repurchases	-	-	-	-	(27,546)	-	-	-	-
Forfeitures/Cancellations	-	-	-	-	(295,181)	-	-	-	-
Share-based compensation	-	-	-	-	-	-	-	-	-
Repurchase of incentive units	-	-	-	-	-	-	-	-	-
Change in unrealized loss on interest rate swaps	-	-	-	-	-	-	-	-	-
Net loss	-	-	-	-	-	-	-	-	-
Balance, December 31, 2022	1	\$ 1	49,266	\$ -	29,704	\$ -	\$ -	\$ -	1
Tax distributions to member	-	-	-	-	-	-	-	-	-
Forfeitures/Cancellations	-	-	(5,250)	-	-	-	-	-	-
Share-based compensation	-	-	-	-	-	-	-	-	-
Change in unrealized loss on interest rate swap	-	-	-	-	-	-	-	-	-
Net loss	-	-	-	-	-	-	-	-	-
Balance, October 12, 2023	1	\$ 1	44,016	\$ -	29,704	\$ -	\$ -	\$ -	1

Note 1 - Other Current Assets

Consideration of \$1 owed to MVK Management, LLC by MVK FarmCo, LLC for issuance of 1 Class A common units

Note 2 - Other Assets - Non Current

MVK Management, LLC investment held in MVK FarmCo, LLC

Unit Class	No. Units	Consideration Paid	
Class B-1 Common Units	44,016	\$	-
Class B-2 Common Units	29,704	\$	-

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Exhibit C
Description of Operations for MVK
Management, LLC

The sole purpose of the formation of this entity was to allow certain management and board members to take part in the equity growth of the enterprise. The entity, MVK Management, LLC has no business operations and does not regularly report financial statements.